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Date: 5/18/2011

GAIN Report Number: E60033

EU-27

Post: Brussels USEU

Poland proposes increase to EU sugar production quota

Report Categories:

Sugar

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Report Highlights:

Poland launches proposal to increase EU sugar production quota again by 15 percent. While this proposal is not expected to be approved, it anticipates a wider debate on the continuation of the EU sugar production quota regime in the CAP towards 2020 reform, as the sugar regime is currently set to expire in MY2014-15.

General Information:

At the European Agricultural Council meeting of May 17, 2011, Poland made a [proposal](#) [1] to increase the EU sugar quota by 15 percent for MY2011-12 or in three yearly 5 percent increases from MY2011-12 to MY2013-14. Poland argued that this measure would help overcome the EU sugar production deficit, which led to a tight sugar supply situation in the EU when EU sugar imports remained below expected normal levels as a result of short world market supplies and high sugar prices [2] .

While some other Member States supported the Polish proposal, other Member States and the European Commission pointed to the exceptional world market conditions and to the problems this could create for the agreement with ACP countries and other imports of cane sugar once the market returned to normal. As a result, this proposal is not expected to gain sufficient support for approval.

This proposal to increase EU sugar production again comes only one year after the full implementation of the EU sugar reform in which the EU decreased production under its production quota regime by about 5 million MT. Unless a proposal to extend the EU sugar production quota regime is included in this upcoming CAP reform, the entire EU sugar production quota regime is set to expire at the end of MY2014-15. It is unclear what this Polish proposal will mean for the upcoming debate on the CAP towards 2020 reform, but suggests that Poland will want to discuss the sugar regime during the debate. As Poland will hold the rotating EU Presidency for the second of 2011, it will be in charge of guiding the CAP towards 2020 debate.

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^[1] <http://register.consilium.europa.eu/pdf/en/11/st09/st09550.en11.pdf>

^[2] See also GAIN report [Sugar Annual Brussels USEU EU-27 4-22-2010](#)

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